
Office of the People's Counsel

FY 2002 Proposed Operating Budget:	\$3,884,247
FY 2002 Proposed Capital Budget:	\$0

The Office of the People's Counsel seeks to advocate for utility consumers of natural gas, electricity, and telephone services in the District of Columbia before District and federal decision-making bodies.

The FY 2002 proposed operating budget is \$3,884,247, an increase of \$864,226, or 28.6 percent, over the FY 2001 approved budget.

Budget Summary

The FY 2002 proposed operating budget for the Office of the People's Counsel (OPC) is \$3,884,247, a net increase of \$864,226, or 28.6 percent, over the FY 2001 approved budget (table DJ0-1). There are 33 full-time equivalent (FTE) positions supported by this budget, an increase of 5 FTEs over the FY 2001 budget (table DJ0-2).

Strategic Issues

The utility business continues to change with the ongoing expansion in telecommunications and the restructuring of the gas and electricity industries. In keeping with this trend, the District of Columbia Public Service Commission continues to open the gas, electricity, and telecommunications industries to competition. With greater market competition will come corresponding demands for increased assurances for consumer protections and education. New service and legislative mandates will place demands on OPC. Restructuring also will mean that decisions regarding energy costs and systems reliability will be decided at the federal or interstate level. Specifically, in FY 2002 OPC will need to find ways to:

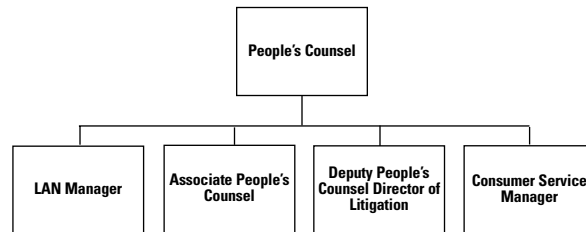
- Provide efficient and effective communication to consumers, as well as reliable analysis of costs, services, and products.
- Establish mechanisms to give customers options and to help them make informed decisions.
- Utilize consultants to ensure an OPC presence at the federal level and to help determine what efforts should be made together with agencies such as the Federal Energy Regulatory Commission.
- Assume increased responsibility for ensuring that consumers are adequately informed and educated about "consumer choice" programs.

FY 2002 Initiatives

- Ensure that market competition supports the delivery of universal, accessible utility services throughout the District of Columbia.
- Continue to work with consumer community-advocacy groups to monitor gas and electricity restructuring service plans and rates.
- Upgrade and expand OPC's Web site in order to improve the efficiency and effectiveness of information delivery related to the agency's

Figure DJ0-1

Office of the People's Counsel



core mission programs.

- Undertake educational and media campaigns, seminars, working groups, and involvement with relevant District agencies.

Agency Background

The Office of the People's Counsel was chartered in 1913 and established in the Home Rule Charter as an independent agency of the District government. OPC is charged with effective representation of the interests of residential and business consumers, and serves as an advocate for consumers of the local gas, electricity, and telephone industries.

The Retail Electric Competition and Consumer Protection Act of 1999 was enacted in May 2000. The act implements electricity restructuring in the District and spells out a significant role for OPC, one that will require substantial monetary resources to cover both personnel and professional fees.

Programs Overview

The ongoing expansion in telecommunications and the restructuring of the gas and electricity industries will place considerable pressure on agency resources to provide efficient and effective communication to consumers, and reliable analysis of costs, services, and products. OPC's programs are displayed in figure DJ0-1.

The addition of one attorney, one engineer, one economist, and one information systems professional to OPC's litigation efforts will allow the agency to fulfill its mandate with respect to elec-

tricity restructuring to ensure there are no abuses. They will handle federal intervention in matters directly affecting District consumers.

The agency also maintains an educational program to inform consumers of industry changes. For the past several years, this has been done successfully through a Web site, but technology advances have begun to surpass the in-house capability. In FY 2002, a Web master position will be added to guarantee greater information accessibility and reliability to a broader and expanding base of sophisticated consumers.

Increased funding in FY 2002 will also meet the need for legal and technical experts, enabling OPC to properly examine the effects of competitive billing, unbundling rates, and universal service issues relative to District consumers. Information derived from analysis helps strengthen the agency's advocacy position. To assure the necessary increased presence at the federal level, OPC will use consultants to assist the agency in determining what efforts should be made with agencies such as the Federal Energy Regulatory Commission.

The restructured environment will also require consumers to make choices about electric service and providers. To enable them to make informed decisions, mechanisms and alternatives must be established to provide options. Likely agency undertakings in this regard include educational campaigns, seminars, working groups, media campaigns, targeted consumer education, and involvement with other relevant District agencies.

Table DJ0-1

FY 2002 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Office of the People's Counsel

	Actual FY 2000	Approved FY 2001	Proposed FY 2002	Change from FY 2001
Regular pay - Cont. Full Time	1,425	1,599	2,042	443
Additional Gross Pay	24	0	0	0
Fringe Benefits	208	259	340	81
<i>Subtotal Personal Services (PS)</i>	<i>1,657</i>	<i>1,858</i>	<i>2,382</i>	<i>524</i>
Supplies and Materials	61	33	33	0
Utilities	1	1	1	0
Communications	32	31	31	0
Rentals - Land and Structures	571	595	510	-85
Other Services and Charges	350	374	364	-10
Contractual Services	35	0	385	385
Equipment and Equipment Rental	50	128	178	50
<i>Subtotal Nonpersonal Services (NPS)</i>	<i>1,099</i>	<i>1,162</i>	<i>1,502</i>	<i>340</i>
Total Proposed Operating Budget	2,757	3,020	3,884	864

Table DJ0-2

FY 2002 Full-Time Equivalent Employment AuthorityOffice of the People's Counsel

	Actual FY 2000	Approved FY 2001	Proposed FY 2002	Change from FY 2001
Continuing full-time	23	28	33	5
Total FTEs	3	28	33	5

Table DJ0-3

FY 2002 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Office of the People's Counsel

	Actual FY 1998	Actual FY 1999	Actual FY 2000	Approved FY 2001	Proposed FY 2002
Local	2,222	0	0	0	0
Other	0	2,354	2,757	3,020	3,884
Gross Funds	2,222	2,354	2,757	3,020	3,884

Funding Summary

OPC is funded entirely with Other (O-type) revenues derived from the utility industry through periodic assessments. The proposed budget for FY 2002 is \$3,884,247, a net increase of \$864,226, or 28.6 percent, over the FY 2001 approved budget. The increase includes \$524,226 for 5 new full-time equivalents (FTEs) to address resource requirements and workloads in FY 2002 and a net increase of \$425,000 in contractual services and computer equipment. These increases are offset by a reduction of \$85,000 for fixed costs. The agency lowered this cost by renegotiating the lease of its facility. The increase in positions represents the addition of one attorney, one engineer, one economist, one Web master, and one information systems professional. Refer to the FY 2002 Operating Appendices (bound separately) for details.

Trend Data

Table DJ0-3 shows expenditure history for FY 1998–FY 2002.

Agency Goals and Performance Measures

Goal 1. Ensure market competition delivers universal and accessible service throughout the District.

Citywide Strategic Priority Area: Making government work

Manager: Sandra Mattavous-Freyer, Esq., Deputy People's Counsel and Director of Litigation

Supervisor: Elizabeth A. Noel, Esq., People's Counsel

Measure 1.1: Percent of under served areas' natural gas, electric, and telephone service delivery data maintained

	1999	2000	Fiscal Year 2001	2002	2003
Target	N/A	N/A	80	85	90
Actual	N/A	N/A	-	-	-

Goal 2. Provide information on choice, and monitor gas and electric service plans in conjunction with community groups.

Citywide Strategic Priority Area: Making government work

Manager: Sandra Mattavous-Freyer, Esq., Deputy People's Counsel and Director of Litigation

Supervisor: Elizabeth A. Noel, Esq., People's Counsel

Measure 2.1: Percent of time that analysis is presented to community groups throughout the city (presentations occur eight times per month)

	1999	2000	Fiscal Year 2001	2002	2003
Target	N/A	N/A	85	90	95
Actual	N/A	N/A	-	-	-